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KILPATRICK STOCKTON LLP  
607 14TH STREET, N.W.  
SUITE 900  
WASHINGTON, DC 20005

EXAMINER

KANOF, PEDRO R

ART UNIT

PAPER NUMBER

3628

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Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/381,243

Applicant(s)

HASKINS ET AL.

Examiner

Pedro Kanof

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 21 January 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 6.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

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## DETAILED ACTION

### ***Claim Rejections - 35 USC § 102***

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1-5, 24 and 44 are rejected under 35 U.S.C. 102(b) as being anticipated by Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Springer-Verlag, 1980.) (Lane).

Claim 1: Lane discloses a method for modeling an investment fund mix containing U.S. Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, Federal Agency Bonds, etc. (page 101, lines 9-10) to produce a projected guaranteed accumulation investment amount for a user over a predetermined time period is not the same on a predetermined time period, (page 101, line 1), equal to at least a preselected

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guaranteed accumulated investment amount selected by the user comprising the steps of:

designating funds for investment to produce the fund mix (Page 101, lines 9-11, 19-24, and Table 1, page 102);

comparing a diversification guideline to the fund mix and completing an information file for the user (Page 103, line 5-page 104, line 24, and Table 2, page 105);

determining a pattern of investments to meet the preselected guaranteed amount and applying the diversification guideline to the information file to determine whether the information file meets the guideline (page 104, line 24-page 107, line 11, and Table 3, page 106);

automatically calculating the projected guaranteed amount (Page 104, lines 18-20); and

comparing the projected guaranteed amount to the preselected guaranteed accumulated investment amount (Page 104, lines 20-28, chose means to be able to previously compare).

Claim 2: Lane discloses the method of claim 1 wherein the investment fund comprises select funds such as U.S.Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, and Federal Agency Bonds with are ranked AAA (Page 104, line 28-page 107, line 9).

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Claim 3: Lane discloses the method of claim 1 wherein the investment fund comprises variable annuities, such as many of the U.S. Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, Federal Agency Bonds (Page 101, lines 9-10)

Claim 4: Lane discloses the method of claim 1 wherein the step of determining a pattern of investments to meet the preselected guaranteed amount further comprises the steps of:

suggesting a pattern of investments ("Decision point for first portfolio...", Table 3, page 106);

automatically calculating a suggested pattern guaranteed amount and comparing the suggested pattern guaranteed amount to the preselected guaranteed amount (see the three Funds in column below "4/10/77", Table 3, page 106); and

if the suggested pattern guaranteed amount is not at least the preselected guaranteed amount, returning to the step of suggesting a pattern of investments (see the three Funds in column below "6/30/77", Table 3, page 106).

Claim 5. The method of claim 1 wherein the step of applying the diversification guideline to the information file to determine whether the information file meets the guideline further includes the steps of, if the information file does not meet the diversification guideline, such as --for each scenario-- the expected market value, book value, expected income:

automatically noting exceptions (Page 110, lines 7-16);

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automatically suggesting alternative inputs to meet the guaranteed amount; inputting corrections; and automatically returning to the step of completing an information file for the user (see the three Funds in column below "4/10/77" and "6/30/77", Table 3, page 106).

Claim 24; Lane discloses a method for modeling a fixed retirement income amount for a user over a predetermined time period after a preselected delay period comprising the steps of:

- a. inputting an issue commission of zero percent, a best estimate for treasury security yields, and a plurality on additional basis points spreads (see claim 15, it is obvious that the commission can be calculate considering different parameters);
- b. automatically applying an annuity calculator to produce a current projected fixed retirement income amount (Page 114, lines 14-22); and
- c. automatically repeating steps a and b for a range of treasury security yields and for each of the plurality of additional basis point spreads (see discussion on claim 17).

Claim 44: Lane discloses a method for determining a reserve for an investment fund mix producing a guaranteed accumulation investment amount for a plurality of users over a predetermined time period, wherein the investment fund mix

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includes a plurality of selected funds, each of the plurality of selected funds having a value, comprising the steps of:

automatically identifying for each of the plurality of users each of the plurality of selected funds for which the value of the selected fund is less than the guaranteed accumulation investment amount (see Table 6, page 116, column I);

automatically summing the difference between each of the plurality of selected funds for which the value of the selected fund is less than the guaranteed accumulation investment amount for each of the plurality of users to produce a total difference (see Table 6, page 116, column II); and

automatically increasing the total difference by a reserve factor (see Table 6, page 116, column III);

3. Claims 32-34 are rejected under 35 U.S.C. 102(b) as being anticipated by Wolfberg et al. (U.S. Patent No. 5,214,579).

Claim 32; Wolfberg discloses a method for combining electronic fund reports for a client for a plurality of funds and a plurality of transactions for the plurality of funds wherein each of the plurality of funds has an amount, comprising the steps of:

automatically determining whether all of the plurality of funds have reported (Col. 1, line 55-col. 2, line 4);

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automatically matching the plurality of transactions to the plurality of funds (Col. 3, lines 3-33);

determining whether diversification guidelines are met for the plurality of funds and plurality of transactions Col. 3, lines 4-41, "means for updating the investment", and Col. 33, lines 51-55, "target") ;

automatically generating withdrawal and deposit instructions for the plurality of funds (Col. 32, lines 46-50); and

automatically determining whether the total contributions exceed a predetermined amount (Col. 32, lines 59-64).

Claim 33: Wolfberg discloses the method of claim 32. Wolfberg also discloses wherein the step of determining whether diversification guidelines are met for the plurality of funds (Col. 2, line 42-col. 3, line 24) and plurality of transactions further includes the steps of:

if the plurality of funds and plurality of transactions (Col. 4, lines 23-25, and lines 36-38) does not meet the diversification guidelines, providing to the client a timetable to reallocate the plurality of funds (Col. 32, lines 51-58); and

determining whether diversification guidelines are met for the reallocated plurality of funds (Col. 32, lines 43-45).



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Claim 34; Wolfberg discloses the method of claim 32. Wolfberg also discloses wherein the step of automatically determining whether the total contributions exceed a predetermined amount further includes the steps of:

if the total contributions exceed a predetermined amount, automatically generating a report to the client requesting the excess of contributions over the predetermined amount be withdrawn (Col. 32, lines 10-63);

automatically generating a timetable for the client to withdraw the excess of contributions over the predetermined amount (Col. 32, line 48-col. 34, line 24);

if the timetable is not met, automatically identifying a fund from the plurality of funds containing the largest amount (Col. 34, lines 21-49);

automatically opening a second account with the fund from the plurality of funds containing the largest amount (Col. 34, line 50-col. 35, line 24); and

automatically transferring the excess of contributions over the predetermined amount from the fund from the plurality of funds containing the largest amount to the second account (Col. 35, line 21-col. 34, line 4).

### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 6-8 and 25-29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Springer-Verlag, 1980.) ( Lane).

Claim 6: Lane discloses a method for identifying a fund mix producing a projected accumulation investment amount exceeding a preselected amount for a user comprising the steps of:

inputting a time period for producing the maximum accumulation investment amount (Page 101, line 1);

inputting a probability of the projected accumulation investment amount exceeding the preselected amount (Page 107, lines 10-15);

automatically listing a plurality of potential funds by projected accumulation investment amount produced using the predetermined probability distributions for the potential funds (Table 2, page 10-5);

comparing a diversification guideline to the plurality of potential finds; and

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automatically combining a plurality of potential fund meeting the diversification guideline to produce an optimum fund mix that will produce a projected accumulation investment amount exceeding the preselected amount (Page 104, lines 17-23, and Table 3, page 106).

However, Lane does not explicitly disclose automatically searching predetermined probability distributions for potential funds for the fund mix. Official notice is taken that the use of probability distribution is old and well known within the finance industry and the risk evaluation. Different books of the subject teach the application of the concept of probability distribution to define a measure of the risk, for example John D. Martin et al., in Basic Financial Management, 5th ed., Prentice Hall, Inc., 1991, disclose: "Probability distribution illustrate the complete set of probabilities over all possible outcomes for that particular event. There are two general types of probability distributions -discrete and continuous. A discrete probability distribution in one in which...." (Page 214); John A. Halloran et al. in Introduction to Financial Management, Scott, Foresman and Co., 1985, disclose: "Probability Distributions: A statistical tool that specifics all the possible outcomes associated with an action and assigns probabilities to each of those outcomes. A probability distribution can be used to estimate the magnitude and uncertainty of the returns on an investment" (Glossary, page G7); etc. It is obvious when implemented within a computer system that function can be performed automatically without prompting a user.

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Claim 7; Lane discloses the method of claim 6. Lane also discloses wherein the fund mix comprises select funds such as U.S. Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, and Federal Agency Bonds with are ranked AAA (Page 104, line 28-page 107, line 9).

Claim 8: Lane discloses the method of claim 6. Lane also discloses wherein the fund mix comprises variable annuities such as many of the U.S. Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, Federal Agency Bonds (page 101, lines 9-10) .

Claim 25: Lane discloses the method of claim 24. However, Lane does not disclose wherein the annuity calculator includes the Flexibility Annuity Settlement Proposal Generating System. Official notice is taken that including the Flexibility Annuity Settlement Proposal Generating System. Official for the annuity calculation is well known within the art. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a step. One would have been motivated to include such a step in order to facilitate the calculation process.

Claim 26; Lane discloses the method of claim 24. Lane does not explicitly disclose the steps of paying the user the fixed income retirement amount at the end of the preselected delay period on a periodic basis; and if the fixed income retirement amount paid is less than the amount payable using the annuity, paying the difference to

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the user. at the end of the predetermined period and on a periodic basis thereafter for the predetermined time period, comparing the fixed income retirement amount paid to an amount payable using an annuity. However Lane discloses fixed-income portfolios that produce a fixed income amount that could be used at the retirement time or before, and can be payable in different periodicity, including annuity. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such steps. One would have been motivated to include such steps in order to increase the inventors' interest in the investment proposal.

Claim 27; Lane discloses a method for pricing fund charges for an investment fund equal to at least a preselected guaranteed accumulation investment amount over a predetermined time period selected by a user comprising the steps of:

- creating a plurality of information sets corresponding to a plurality of potential users (Tables 2 and 3);

- automatically deducting and accumulating the plurality of monthly charges (see discussion on claim 15);

- for each of the plurality of projected guaranteed accumulation investment amounts, automatically adding the accumulated monthly charge and subtracting the projected guaranteed accumulation investment amount to produce a probability distribution providing a range of net values (see Table 7); and

- selecting one from the plurality of monthly charges that produces zero

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value for the probability and distribution produced (Page 122, lines 2-23).

Lane also discloses a method of project or forecasting (Table 3). However, Lane does not explicitly disclose automatically projecting a plurality of monthly charges for producing a plurality of projected guaranteed accumulation investment amounts for each of the plurality of information sets. Official notice is taken that the step of automatically projecting a plurality of monthly charges is well known within the art. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such step. One would have been motivated to automatically project a plurality of monthly charges in order to offer a complete service to the clients.

Claims 28 and 29: Lane discloses the method of claim 27. However, Lane does not disclose wherein the plurality of information sets includes extensive variation of duration of benefits, contribution patterns, and select end choices, and a single life with a ten year certain settlement option. Official notice is taken that the step of including information sets with extensive variation of duration of benefits contribution patterns, and select end choices, and a single life with a ten year certain settlement option is well known within the art. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a step. One would have been motivated to including such a step in order to increase the business/services for their clients.

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6. Claims 9-17, 19-21, 23, 45, and 46 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Springer-Verlag, 1980.) (Lane) in view of Halley et al. (U.S. 4,069,094).

Claim 9: Lane discloses a method for projecting an accumulated investment amount for a portfolio having a plurality of funds over a preselected time period for a user, comprising the step of completing a projection method parameters file in which various parameters are identified, including parameters set by the user based upon investment goals selected by the user (see the three forecasts or projection in column below "4/10/77", Table 3, page 106).

Lane also disclose automatically performing a projection of the accumulated investment (see the three forecasts or projection in column below "6/30/77", Table 3, page 106). However Lane does not explicitly disclose inputting initial and periodic contributions and fund allocations for the plurality of funds and automatically performing a projection of the accumulated investment amount for the portfolio having the plurality of funds. Halley discloses "periodic contributions", and "initial contribution", (Col. 2, lines 45-63, Col. 8, lines 6-10, Col. 9, lines 18-23, and col. 10, lines 22-27), which is the first of the "periodic contributions" in a financial system that performs

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projections (Abstract, Col. 1, line 60-col. 2, line 15). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include these steps in the Lane's invention. One would have been motivated to including these steps in order to be able to make projections that can be evaluated in consideration of the risks associated to different scenarios.

Claim 10: Lane and Halley disclose the method of claim 9. Lane also discloses wherein the fund mix comprises select funds such as U.S.Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, and Federal Agency Bonds with are ranked AAA (Page 104, line 28-page 107, line 9).

Claim 11: Lane and Halley disclose the method of claim 9. Lane also discloses wherein the fund mix comprises variable annuities such as many of the U.S.Treasury Bills, Certificate of Deposits, U.S. Treasury Notes, Federal Agency Bonds (page 101, lines 9-10) .

Claim 12: Lane and Halley disclose the method of claim 9. Lane disclose investment portfolios having the plurality of funds (see Claim 1) and automatically calculating the time needed to process the projections (See Tables 2 and 3). Halley discloses accumulated investment (Col. 2, lines 45-63, Col. 8, lines 6-10, Col. 9, lines 18-23, and col. 10, lines 22-27), Lane and Halley disclose automatically calculating the projection of the accumulated investment amount for the portfolio having the plurality of funds (see Claim 9). Official notice is taken that it's old and well known in the financial



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industry calculating the time needed to process the projection of the accumulated investment amount for the portfolio having the plurality of funds. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include the step of calculating the time needed to process the projection. One would have been motivated to include this step in order to make timely decisions.

Claim 13: Lane and Halley disclose the method of claim 9. Lane also discloses the step of, if the user interrupts the step of automatically performing a projection of the accumulation amount for the plurality of funds, automatically presenting completed projections (Page. 104, line 17-page 107, line 9 , and Table 3, page 106).

Claim 14: Lane and Halley disclose the method of claim 9. Lane also discloses the step of automatically prompting the user prior to performing the step of automatically calculating a projection completion time (Tables 2 and 3).

Claim 15: Lane and Halley disclose the method of claim 9. Lane also discloses the step of automatically performing a projection of the accumulation amount for the plurality of funds further comprises the steps of:

inputting the average yield for each of the plurality of funds (Table 2, page 105); and automatically calculating the average projected yield for each of the plurality of funds (Table 3, page 106, Current Yields, Present Yields, and Forecast Yield). ~~The~~ *Lane* *x*

~~references~~ *does* ~~do~~ not disclose automatically deducting a service charge. Halley discloses *x*

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such as a step (Col. 34, lines 12-15). Therefore, it would have been obvious to one having ordinary skill in the art to deduct a service charge. One would have been motivated to deduct a service charge in order to obtain the payment of the commission.

Claim 16: Lane and Halley disclose the method of claim 9. Lane also discloses the step of automatically performing a projection of the accumulation amount for the plurality of funds further comprises inputting data for the projection (Page 103, line 5-page 107, line 20). In claim 6 above was discussed distribution model. Lane also discloses a system of investment of fund assets with guaranteed return because fund assets with guaranteed return is a type of "fixed-income portfolios".

Claim 17: Lane and Halley disclose the method of claim 9. Lane also discloses wherein the step of automatically performing a projection of the accumulation amount for the plurality of funds further comprises inputting data for the projection (see Lane's discussion on Table 3) and setting a yield equal to the index performance for a predetermined number of simulations (see Lane's discussion on Tables 2-4).

Lane also discloses a system of investment of fund assets with guaranteed return. However, the references do not explicitly disclose automatically performing a distribution model for the number of simulations greater than the predetermined number. Official notice is taken that it is old and well known to run a simulation a plurality of times and that the number of times it is run can be set by the operator. Therefore, it would have been obvious to one having ordinary skill in the art at the time

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the invention was made to run Lane's simulation more of one time. One would have been motivated to do this in order to be able to compare the risks of the investment decisions.

Claims 19 and 20; Lane and Halley disclose the method of claims 9 and 16. Lane also discloses wherein the step of automatically performing a distribution model further comprises the steps of:

- a. inputting a number of scenarios and number of simulations (Page 107, lines 10-15);
- b. automatically generating a random number for a first simulation (Page 103, lines 12-17);
- c. inputting projection method factors (Page 107, lines 17-23);
- d. automatically generating a first simulation result for a random distribution model (Page 104, lines 1-5);
- e. automatically generating a new random number from the first random number (Page 104, lines 5-13);
- f., g. automatically generating a new simulation result for the random distribution model, and automatically repeating steps a and f a number of times equal to the number of simulations inputted less two simulations (see discussion on Claim 17);

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- h. automatically inputting the output of step g as the average yield for each of a plurality of funds (see Table 2);
- i. automatically deducting a service charge (see discussion in claim 15);
- and
- j. automatically calculating the average projected yield for each of the plurality of funds (see Table 3, forecast or projection);
- k. automatically generating a first simulation result for the random distribution model for a new simulation (Page 103, lines 12-17, and discussion on claim 6); and
- l. automatically repeating steps a through j a number of times equal to the number of scenarios inputted less one scenario to produce outcomes for each of the plurality of scenarios (see discussion on claim 15 and Table 3).

Claim 21: Lane and Halley disclose the method of claim 16. Lane also discloses wherein the projection method factors include a standard deviation, an average yield for the plurality of funds, and a probability that the average yield for the plurality of funds will exceed the projected yield in any year (Table 5).

Claim 23: Lane and Halley disclose the method of claim 18. Lane also discloses wherein the plurality of funds includes at least one index fund, because funds assets is a type of assets in a portfolio, as was discussed above in claim 16. Lane discloses portfolio. It's well known the use of index for type of industry, index for the

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technologic, pharmaceutical, insurance, etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such step. One would have been motivated to include index funds in order to offer a more large game of products.

Claim 45: Lane and Halley disclose the method of claim 16. Lane also discloses the steps of

automatically determining the accumulated investment amount for the preselected time period, such as between 4/19/77 and 6/30/77 (Table 7, page 120);

automatically discounting the accumulated investment amount by a predetermined reserve interest rate (Table 7, page 120, see Book YLD for 4/19/77 and 6/30/77;

automatically discounting the accumulated investment amount using a reserve investment rate (table 8, page 121, column 3/14/77 and 3/19/77, UNRL, GAIN/LOSS);

automatically tabulating the discounted accumulated investment amount less an account value for each of the plurality of funds; automatically determining a present value of a future guarantee charge for the accumulated investment amount; and automatically subtracting the present value of the future guarantee charge for the accumulated investment amount from the accumulated investment amount (Table 8, page 121, bottom: market value, etc.).

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Claim 46: Lane and Halley disclose the method of claim 17. Lane also discloses the steps of

automatically determining the accumulated investment amount for the preselected time period (Table 7, page 120, bottom: market value, etc.);

automatically discounting the accumulated investment amount by a predetermined reserve interest rate (Page 117, line 19-page 118, line 4);

automatically discounting the accumulated investment amount using a reserve investment rate (Page 118, lines 5-14);

automatically tabulating the discounted accumulated investment amount less an account value for each of the plurality of funds (Page 118, line 16-page 119, line 5);

automatically determining a present value of a future guarantee charge for the accumulated investment amount (Page 119, line 6-page 122, line 1); and

automatically subtracting the present value of the future guarantee charge for the accumulated investment amount from the accumulated investment amount (Page 122, line 3-page 124, line 1).

However, Lane does not disclose inputting a predetermined index performance limit and a mix of selected funds. Official notice is taken that the use of a predetermined index performance limit and a mix of selected funds is well known within the art. Therefore it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a step, One would have been

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motivated to use a predetermined index performance limit and a mix of selected funds in order to analyze the performance of the potential investments opportunities.

7. Claim 18 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Spring-Verlag, 1980.) (Lane), in view of Halley et al. (U.S. 4,069,094), and further view of Lewellen, W.G. (Simulation versus Single-Value estimates in capital expenditure analysis, in Modern Developments in Financial Management, ed. By Myers, S.C., The Dryden Press-Praeger Publishers, Inc., 1976, pages 442-463)

Claim 18: Lane and Halley disclose the method of claim 9. Lane also discloses wherein the step of automatically performing a projection of the accumulation amount for the plurality of funds further comprising inputting an average annual change in index performance for each index fund (see Lane's discussion on Table 30) and automatically deducting a predetermined percentage of annual yield from the projection of annual index appreciation (Page 112, line 8-page 119, line 14).

However the references do not explicitly disclose inputting a standard deviation for the average annual change in index performance, automatically performing a normal distribution random projection of annual index appreciation (rate of return); and

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automatically performing a distribution model to generate multiple accumulation amounts.

Lewellen discloses such as steps in a system of investment of fund assets with guaranteed return (Page 442, line 1-page 446, line 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such steps. One would have been motivated to including these steps in order to make projections that include the uncertainty of the scenarios.

8. Claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Spring-Verlag, 1980.) (Lane), in view of Halley et al. (U.S. 4,069,094), and further view of Lewellen, W.G. (Simulation versus Single-Value estimates in capital expenditure analysis, in *Modern Developments in Financial Management*, ed. By Myers, S.C., The Dryden Press-Praeger Publishers, Inc., 1976, pages 442-463)

Claim 22: Lane and Halley disclose the method of claim 16. However the references do not disclose wherein the random distribution simulation includes a Monte Carlo simulation. Lewellen discloses such a step (Page 457, lines 1-25). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention



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was made to include such a step. One would have been motivated to including the Monte Carlo method in order to generate the values for the simulation.

9. Claims 30 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Halley et al. (U.S. 4,069,094) in view of Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas, September 1977, edited by Franco, A. V. et al., published by Spring-Verlag, 1980.) (Lane), and further view of John A. Halloran et al. in *Introduction to Financial Management*, Scott, Foresman and Co., 1985,

Claim 30: Halley discloses a method for processing a selected guaranteed accumulation investment amount for a user over a predetermined time period equal to at least a preselected guaranteed accumulated investment amount selected by the user (Col. 2, line 45-col. 3, line 2). Lane discloses the steps of:

inputting a plurality of funds each of the plurality of funds having a value (Page 107, lines 10-15);

automatically generating a fund guarantee statement (see Table 3, wherein the products generate a guarantee return);

automatically generating a probability distribution of projected accumulation amounts (Table 3, projected or forecasting);

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automatically deducting a charge on a periodic basis (see claim 15). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such steps. One would have been motivated to including these steps in order to provide the clients with the complete information for their decision making process.

However, the references do not explicitly disclose automatically generating an electronic fund report. Halloran discloses such step (Pages 65-70). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a step. One would have been motivated to include that step in order to provide high speed information to the clients

Claim 31: Halley, Lane, and Halloran disclose the method of claim 30. Halley also discloses the steps of automatically determining whether any fund of the plurality of funds is unavailable if any fund of the plurality of funds is unavailable, automatically determining the date the unavailable fund became unavailable; and automatically determining the value of the unavailable fund on the date the fund became unavailable (Col. 6, line 67-col. 7, line 7).

10. Claims 35-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lane, M. et al. (*Designing Investment Strategies for Fixed-Income Portfolio*, in "External Methods and Systems Analysis", An International Symposium at Austin, Texas,

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September 1977, edited by Franco, A. V. et al., published by Spring-Verlag, 1980.) (Lane), in view of Wolfberg et al. (U.S. Patent No. 5,214,579).

Claim 35: Lane discloses a method for processing for a user a guaranteed accumulation investment amount for a plurality of variable annuities with a fixed retirement income guaranteed amount having a maturation date (see Claims 1 and 3) comprising the steps of:

inputting user specific data (Page 107, lines 10-15);

automatically generating a proposal for a guaranteed minimum benefit rider (see Table 2).

Wolfberg discloses automatically generating a contract data page; and automatically issuing a contract with a guaranteed minimum income benefit rider (Col. 23, lines 55-66);

automatically deducting a daily cost charge (see discussion on Claim 15);

receiving transactions for the account (Col. 24, lines 9-35);

comparing a variable annuity diversification guideline (a "target" is defined based on objectives or guidelines ) to the received transactions for the account (Col. 32, lines 46-64);

automatically generating withdrawal and deposit instructions for the received transactions (Col. 32, line 51-col. 33, line 38);

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automatically determining whether the total contributions exceed a predetermined amount; automatically determining the guaranteed accumulation investment amount; and automatically periodically transmitting information about the account to the user (Col. 33, line 23-col. 34, line 50).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include the Wolfberg features in the Lane's invention. One would have been motivated to include such steps in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 36: Lane and Wolfberg disclose the method of claim 35. Wolfberg also discloses wherein the transactions include transferring account amounts for removed funds (Col. 34, lines 18-49). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include this Wolfberg feature in the Lane's invention. One would have been motivated to include such step in order to complete the transaction.

Claim 37: Lane and Wolfberg disclose the method of claim 35. Wolfberg also discloses wherein the step of automatically determining whether the total contributions exceed a predetermined amount further includes the steps of

if the total contributions exceed a predetermined amount, automatically generating a report to the client requesting the excess of contributions over the predetermined amount be withdrawn; automatically generating a timetable for the client

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to withdraw the excess of contributions over the predetermined amount (Col. 33, line 53-col. 35, line 62);

if the timetable is not met, automatically identifying a fund from the plurality of funds containing the largest amount; automatically opening a second account with the fund from the plurality of funds containing the largest amount; and automatically transferring the excess of contributions over the predetermined amount from the fund from the plurality of funds containing the largest amount to the second account (Col. 34, line 50-col. 35, line 62). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include the Wolfberg features in the Lane's invention. One would have been motivated to include such steps in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 38: Lane and Wolfberg disclose the method of claim 35. Wolfberg also discloses the step of automatically transmitting to the user notice of the maturation date prior to the maturation date (Col. 35, line 56-col. 36, line 24). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include this Wolfberg feature in the Lane's invention. One would have been motivated to include such a step in order to provide the users with the complete information and, in that way, minimize the investment risk.

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Claim 39: Lane and Wolfberg disclose the method of claim 35. Lane also discloses the step of automatically comparing the guaranteed accumulation investment amount to the total value of the plurality of variable annuities (Table 6).

Wolfberg discloses upon the maturation date, the user receives the excess of the guaranteed accumulation investment amount over the total value of the plurality of variable annuities (Col. 36, lines 5-44). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include this Wolfberg feature in the Lane's invention. One would have been motivated to include such a step in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 40: Lane and Wolfberg disclose the method of claim 35. Wolfberg discloses the step of upon the maturation date, the user selecting a new maturation date (Col. 36, lines 24-59). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include this Wolfberg feature in the Lane's invention. One would have been motivated to include such a step in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 41: Lane discloses the method of claim 26. Wolfberg discloses the steps of:

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generating for the user a guaranteed minimum benefit rider; the user electing a benefit with a benefit period and an assumed interest rate; automatically providing a resulting guaranteed periodic benefit and periodic charge for guarantee(Col. 35, lines 10-52);

for the benefit period, automatically comparing an actual benefit from the benefit to a calculated benefit using the assumed interest rate (col. 35, lines 53-62);  
and

at the end of the benefit period and at periodic intervals thereafter, automatically comparing the actual benefit from the benefit to a calculated benefit using the assumed interest rate (Col. 35, line 63-col. 36, line 9). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include the Wolfberg features in the Lane's invention. One would have been motivated to include such steps in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 42: Lane and Wolfberg discloses the method of claim 41. Wolfberg also discloses the step of if the actual benefit from the benefit is less than a preselected percentage of the calculated benefit using the assumed interest rate, automatically paying the difference between the actual benefit from the benefit and the calculated benefit using the assumed interest rate (Col. 32, line 34-col. 33, line 18). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention

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was made to include the Wolfberg features in the Lane's invention. One would have been motivated to include such steps in order to provide the users with the complete information and, in that way, minimize the investment risk.

Claim 43: Lane and Wolfberg discloses the method of claim 41. The references do not explicitly disclose automatically transmitting the results of the comparing step to the user. Official notice is taken that it is old and well known in the finance industry automatically transmit the results of the comparing step to the clients. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a step. One would have been motivated to automatically transmit the results of the comparing step to the user in order to facilitate timely decisions.

### ***Conclusion***

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. Pedro R. Kanof whose telephone number is (703) 308-9552. The examiner can normally be reached on weekdays from 8:00 a.m. to 4:30 p.m.



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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Mr. Hyung Sough, can be reached on (703) 308-0505. The fax phone number for this Group is (703) 305-7687.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 308-1113.

PRK-6/3/03

  
HYUNG SOUGH  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600